MUTUAL *of* OMAHA'S

LONG-TERM CARE SALES SOLUTIONS

12 Scenarios to Help You Sell LTCi

M25195

Contents

Mutual of Omaha Insurance Company

Long-Term Care Sales Solution

Informal Caregiver Benefit Gives Your Clients Greater Peace of Mind

Prospect Profile

- Richard and Jean, age 65
- Three children; two sons live out of town, one daughter lives nearby

Situation

- Richard and Jean have worked to build assets to pass on to their children; now, they're concerned the need for long-term care services could significantly deplete those assets
- They know they'll eventually need help to remain in their home; their daughter is willing to provide the help they need and they are more comfortable having her as a caregiver

Solution

- Mutual of Omaha's built-in informal caregiver benefit can provide the peace of mind Richard and Jean seek
- This benefit will pay 25 percent of their home health care daily benefit amount for the services of an informal caregiver not living with them at the time of claim, even if the informal caregiver is a family member
- Under Mutual's policy, Richard and Jean's daughter is eligible to provide these services; in fact she could even move in with them after they go on claim, if necessary

How it works

- Richard and Jean's daughter can make daily visits to provide homemaker services, such as cooking, cleaning and shopping for groceries
- There is no limit to the number of visits she may make
- This benefit is payable in addition to any formal caregiver services Richard and Jean may need; for example, if they have a $100 home health care daily benefit, $75 per day would be available for formal care and $25 for informal care

Our Informal Caregiver Benefit Gives You a Competitive Advantage!

- Other carriers either exclude family members or require certification or training for the informal caregiver
- Mutual of Omaha's informal caregiver benefit is much less restrictive; we allow family members to provide informal care; in addition, a family member working for a home health care agency also is eligible to receive pay for providing homemaker services
- This benefit is built into our policy at no extra cost; some other carriers offer it as an additional-cost rider

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Optional Spouse Benefit Can Help You Save the Sale

Prospect Profile

- John and Catherine, age 65

Situation

- Catherine is in relatively good health; however, John has insulin-dependent diabetes
- They know there's a good chance one or both will need long-term care services some day and are extremely interested in purchasing long-term care insurance
- When the couple learns that John does not qualify for coverage, they don't know what to do; in fact, they're considering looking for coverage elsewhere

Solution

- Mutual of Omaha's optional spouse benefit can help you save the sale
- This benefit provides funds to care for an uninsurable or uninterested spouse

How it works

- The couple purchases long-term care insurance for Catherine and includes the optional spouse benefit
- If Catherine should need long-term care services, the policy will pay an additional 60 percent of expenses incurred up to the daily benefit amount each day she is on claim
- These funds can be used to pay for any care or living expenses John may need while Catherine is unable to care for him

The Spouse Benefit Gives You a Competitive Advantage!

- This is a benefit other carriers simply don't offer
- Medical underwriting is not required on the uninsurable or uninterested spouse
- Funds can be used however the insured wishes
- Spouse benefits are provided for home care as well as nursing home and assisted living facilities and **are not** deducted from the policy maximum
- Should the uninsured spouse die, the rider can be removed from the policy to save premium for the insured spouse

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Spouse Benefit

How to Create a Proposal for John and Catherine:

Here are some things you should look for on the proposal software when building a long-term care plan that includes the spouse benefit.

Client Info

- At age 65, Catherine is eligible for the spouse benefit (the primary insured must be age 70 or under)
- Catherine is in relatively good health, so you would indicate the **"Select"** rate category (Class I and Class II rating categories are not eligible for the spouse benefit)
- Since Catherine is the only spouse applying for coverage, you would answer **"No"** to the four questions in the Spouse/Two Person Household section

Spouse Info

- There's no need to complete this section since John is not applying for coverage; remember no underwriting is required with the spouse benefit

Plan Info

- The spouse benefit is available **only on LTC II**
- In addition, the spouse benefit is available **only on tax-qualified coverage**

Optional Benefits

- Be sure to select the spouse benefit in the optional benefits section

Discounts

- Catherine would not be eligible for the 30-percent spouse discount; however, other discounts may apply

This provides a brief description of the benefits of our long-term care plan.
Refer to the outline of coverage or the policy for complete details.

Long-Term Care Sales Solution

Multiple Discounts Can Help You Make the Sale

Prospect Profile

- Bob and Sharon, age 50
- Two college-age children

Situation

- Bob and Sharon are in good health; they exercise regularly and watch their diet
- Bob is a Realtor and Sharon is a nurse; both are members of professional associations
- In addition to putting their two children through college, they are contributing to the cost of assisted living for Bob's mother
- They know they need long-term care insurance, but cost is the real issue for them at this time

Solution

- Mutual of Omaha offers a variety of premium discounts that, when combined, can allow clients to purchase coverage at nearly half price

How it works

- Bob and Sharon apply for long-term care coverage and both policies are issued; that entitles them to a 30-percent spouse discount
- Because they are young and in good health, they qualify for preferred rates, which takes another 15 percent off the premium
- As members of qualifying associations, they each are eligible for the 10-percent association group discount

Multiple Discounts Give You a Competitive Advantage!

- With Mutual of Omaha, your clients are eligible to receive all discounts that apply; many other carriers place an overall cap on the total discount available
- Mutual issues 30 percent of its long-term care business in the preferred category, making it easy for your younger, healthy clients to reduce their long-term care insurance costs

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Applying Multiple Discounts

The proposal software allows you make sure Bob and Sharon receive all the discounts for which they are eligible.

Client Info
Client's Rate Class

- Even though Bob and Sharon are in good health, which means they have an excellent chance of qualifying for the 15-percent preferred discount, it is recommended that you indicate the "**Select**" rate class (and collect the appropriate premium)
- Then explain to Bob and Sharon that following the underwriting process, our underwriter will automatically apply the preferred discount, if applicable, and a refund check will be issued
- You also could remind Bob and Sharon that Mutual of Omaha issues 30 percent of its long-term care business in the preferred rate class

Spouse/Two Person Household Info

- Both Bob and Sharon are applying for coverage, so they're eligible for the 30-percent spouse discount (as long as both policies are issued)
- This discount is available even if Bob and Sharon apply for different plan types
- If they apply for the same plan, answer "yes" to the question "Married and spouse is applying for same plan type?"
- If they apply for different plans, answer "yes" to the question "Married and spouse is applying for a different plan type?"
- When you answer "yes" to one of these questions, the 30-percent spouse discount automatically is applied

Discounts

- After entering the appropriate plan information, proceed to the "Discounts" tab of the proposal software
- Since Bob and Sharon are members of approved associations, they each are entitled to a 10-percent association group discount
- Using the dropdown box, select "**Association Marketing**" to apply the association group discount

Discounts also can be calculated using the premium worksheet located in the long-term care rate book. You'll find the rate book for your state in the Forms & Materials section on Sales Professional Access.

Mutual of Omaha Insurance Company

Long-Term Care Sales Solution

Lifetime Coverage Means Your Clients Won't Run Out of Benefits

Prospect Profile

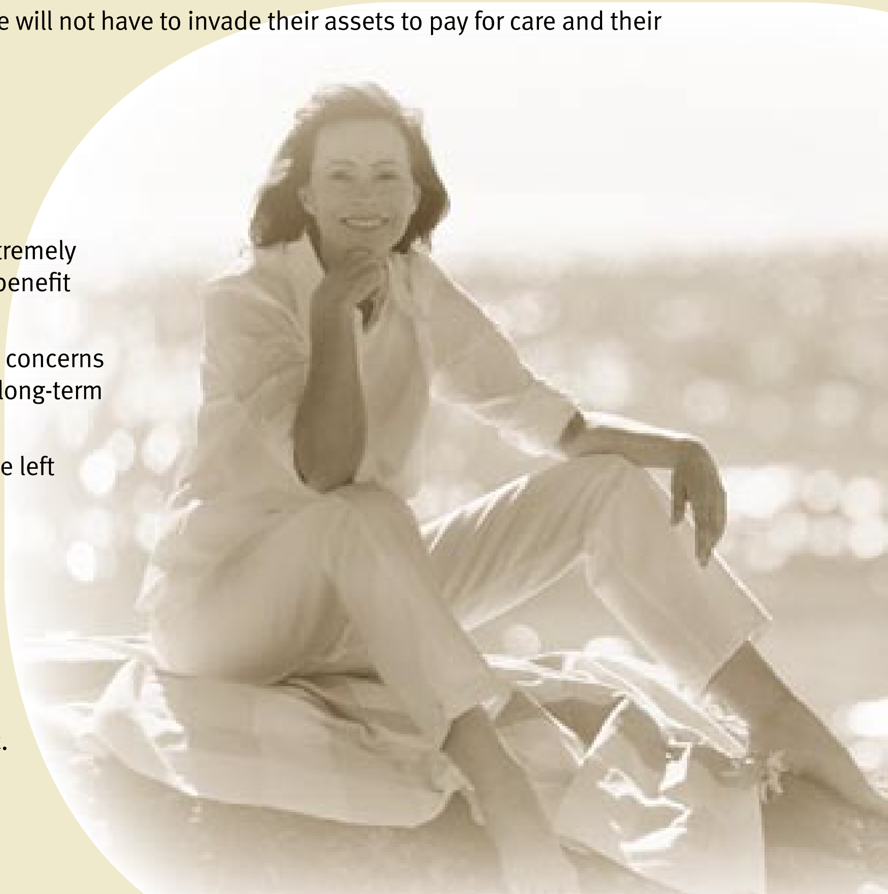
- Michael and Christine, age 50

Situation

- Michael and Christine are ready to purchase long-term care insurance, and they've seen firsthand that a short benefit period is not enough
- Christine's mother was diagnosed with Alzheimer's disease 10 years ago. Christine was able to provide the care her mother needed for several years before it became necessary to move her to an assisted living facility
- Christine's mother had a long-term care policy with a two-year benefit period. Benefits of the policy have been exhausted, and Christine and Michael are watching as her life savings are depleted to pay for her care
- Michael and Christine also know the emotional toll caring for someone with Alzheimer's can have on a family. (According to the Alzheimer's Association, a person with the disease can live as many as 20 years from the onset of symptoms.) They want to make sure their own children won't ever have to care for them

Solution

- Long-term care coverage with a lifetime benefit period gives Michael and Christine the peace of mind they're looking for
- It ensures they will have benefits available for as long as care is needed – five years, 10 years, 20 years or more
- Lifetime coverage helps ensure Michael and Christine will not have to invade their assets to pay for care and their children will not have to become their caregivers



Lifetime Coverage Gives You a Competitive Advantage!

- Mutual of Omaha's rates for lifetime coverage are extremely competitive. Many other carriers focus is on shorter benefit periods, typically two, three and four years
- Lifetime coverage allows you to address your clients' concerns about having enough coverage to care for a chronic, long-term condition, like Alzheimer's
- A lifetime benefit period assures your clients won't be left without coverage

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Compare Our Rates for Lifetime Coverage

We've done the comparative analysis for you. Take a look at how our rates for lifetime coverage stack up to the competition.

Preferred Rates						
Issue Age	**Mutual of Omaha** LTC II	**MetLife** VIP2-Ideal	**GenWorth** Privileged Choice	**Prudential** LTC by Design	**John Hancock** Custom Care II	**Physician's Mutual** Vista Care Choices
55	$1,218	$1,454	$1,305	NA	$1,574	$1,637
60	$1,505	$1,857	$1,740	NA	$1,878	$2,002
65	$2,094	$2,469	$2,370	NA	$2,301	$2,580

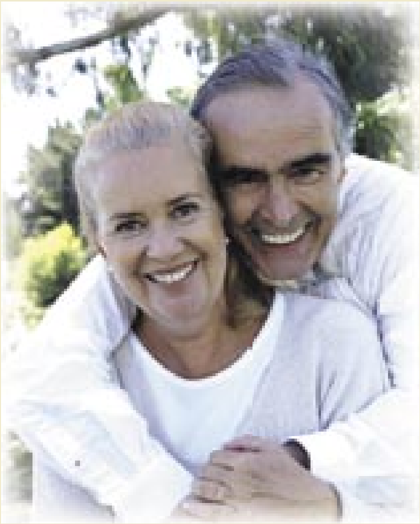
Standard Rates						
Issue Age	**Mutual of Omaha** LTC II	**MetLife** VIP2-Ideal	**GenWorth** Privileged Choice	**Prudential** LTC by Design	**John Hancock** Custom Care II	**Physician's Mutual** Vista Care Choices
55	$1,433	$1,697	$1,566	$1,453	$1,836	$1,926
60	$1,770	$2,167	$2,088	$1,734	$2,191	$2,356
65	$2,464	$2,880	$2,844	$2,369	$2,685	$3,035

Rates are based on the following:

- tax-qualified coverage
- lifetime benefit period (preferred rates not available with Prudential)
- $100/$3,000 NH/HHC
- compound inflation protection
- 90-day elimination period (100 days for MetLife)
- spouse discount

This competitive analysis was done using the most current product information available as of April 2005. Products may vary by state and are subject to change at any time.

20-Year Inflation Protection is an Option Your Clients Won't Find Anywhere Else



Prospect Profile

- Ken and Marsha, age 65

Situation

- Ken and Marsha are in relatively good health and don't anticipate needing long-term care services for many years (their parents were in their 80s when the need for long-term care arose)
- They know they need long-term care insurance. They're ready to buy and want to make sure their policy provides a hedge against inflation
- They've done their homework and are familiar with the standard inflation protection options; however, no other carrier has presented a 20-year option
- As smart shoppers, Ken and Marsha want to make sure they're getting the most for their long-term care dollar

Solution

- Mutual of Omaha's 20-year inflation protection option gives Ken and Marsha the hedge against inflation they're looking for
- With this option, Ken and Marsha's long-term care benefits increase 5 percent compounded each year for 20 policy years. So, by the time they reach age 85 and are likely to need long-term care services, they should have adequate benefits available
- 20-year inflation protection is a less expensive option (roughly 20 percent less) than unlimited inflation protection, and premiums remain level for the life of the policy. That allows Ken and Marsha to get the most for their money by using the premium savings to purchase more comprehensive coverage (a shorter elimination period, a longer benefit period, a higher daily benefit amount, etc.)

20-Year Inflation Protection Gives You a Competitive Advantage!

- Mutual of Omaha's 20-year inflation protection is unique in the industry. You won't find it offered by other carriers, and that can help set you apart from the competition
- Because it's less expensive than unlimited inflation protection, you can help your clients design a long-term care plan with richer benefits, and that adds value to the service you provide

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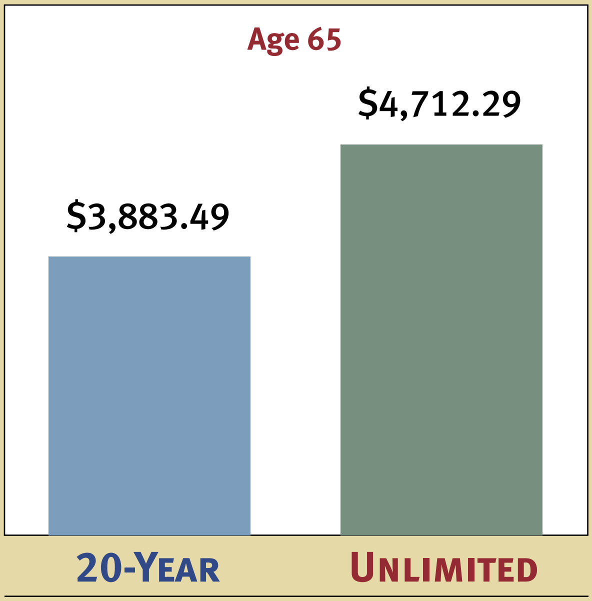
Compare the Premiums

Our 20-year compound inflation protection option offers your clients considerable savings over an unlimited compound inflation protection option – savings they can use to purchase more comprehensive coverage. Compare the annual premiums:



Premiums are based on:

- Tax-qualified plan
- One maximum benefit amount
- $150 daily benefit
- 30-day elimination period
- Unlimited benefit multiplier
- 100 percent HHC
- Waiver of elimination period for HHC

Patient Advocacy Benefit Helps Ensure Your Clients Receive Quality Care

Prospect Profile

- Bob and Lucy, age 60

Situation

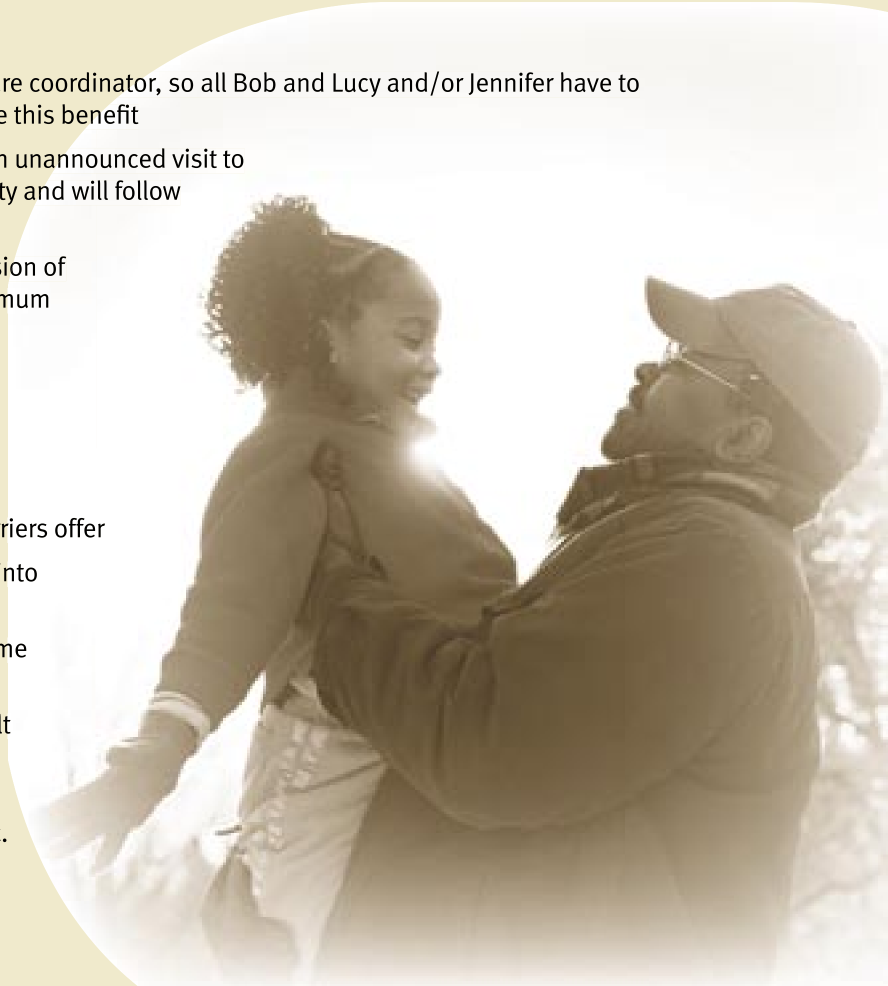
- Bob and Lucy live in the Midwest; their daughter, Jennifer, lives on the West Coast
- Jennifer knows her parents eventually will need assistance; she also knows her own family and work obligations will prevent her from being there to provide the care her parents need, so she is encouraging them to purchase long-term care insurance
- Jennifer also is concerned that should her parents need to enter a nursing home or assisted living facility, she won't know if they are receiving quality care

Solution

- Mutual of Omaha's patient advocacy benefit can give this family peace of mind
- This feature, which is built into the policy at no extra cost, allows Bob and Lucy and/or Jennifer to request an annual written evaluation of the conditions of their nursing home or assisted living facility and the care they are receiving there; a copy of the report can be mailed to Jennifer

How it Works

- The patient advocacy benefit requires the use of a care coordinator, so all Bob and Lucy and/or Jennifer have to do is call the toll-free number on their policy to utilize this benefit
- Upon request, the care coordinator will arrange for an unannounced visit to Bob and Lucy's nursing home or assisted living facility and will follow up with a written report
- There is no cost for this service, and using this provision of the policy does not reduce the policy's lifetime maximum benefit amount



Our Patient Advocacy Benefit Gives You a Competitive Advantage!

- This is a consumer-friendly benefit very few other carriers offer
- Mutual of Omaha's patient advocacy benefit is built into the policy at no extra cost
- Use of this feature does not reduce the policy's lifetime maximum benefit amount
- A copy of the report can be sent to the insured's adult children and physician, if desired

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M24932

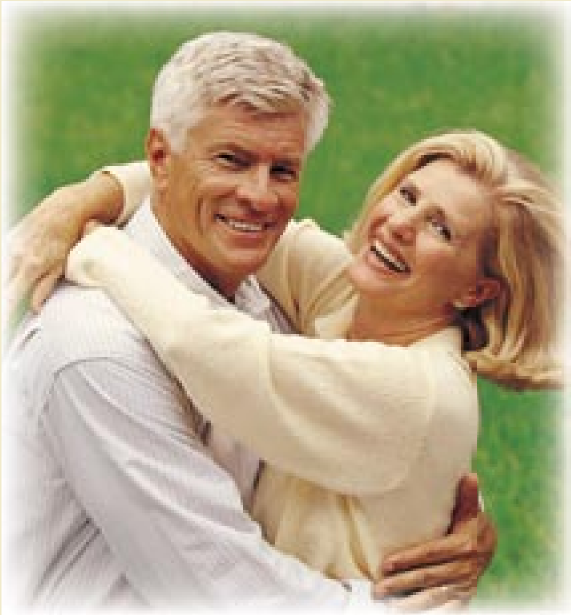
Compare Our Product to Other Leading Carriers

Carrier	Patient Advocacy Benefit
Mutual of Omaha LTC I & LTC II	• At no charge, insureds can request one unannounced visit per year to assess conditions of their nursing home or assisted living facility and determine if their care needs are being met • Built into our LTC policy at no extra cost • Does not reduce the policy's lifetime maximum benefit amount
GenWorth Privileged Choice	• Not available
MetLife VIP2-Ideal	• Not available
Physicians Mutual Vista Care Choices	• Not available
Prudential LTC3	• Not available

This competitive analysis is based the most current product information available as of May 2005. Products may vary by state and are subject to change at any time.

Long-Term Care Sales Solution

Help Small-Business Owners Retain Key Employees



Prospect Profile

- John, age 60, and Maureen, age 57

Situation

- John and Maureen have been married for 37 years; John owns a software consulting firm (a C-Corporation) that is growing rapidly
- The company's two key employees, Bob, age 54, and Scott, age 48, have worked with John for years, even before the company was formed; currently, there are 10 other employees
- John knows that employees in technology industries have a tendency to change jobs; Bob and Scott are vital to the growth of his company and he is looking for ways to entice them to remain with the firm

Solution

- Providing long-term care policies for his key employees is one way John can make them feel valued, create loyalty and ensure they remain with him
- John could purchase long-term care policies for Bob and Scott with premium paid by the business; under current tax law, the premium for these policies would be deductible by the business, similar to traditional health and accident insurance; in addition, premium is not taxable as income to Bob and Scott; eventual benefits paid by the policies also are not taxable
- John also could purchase policies for himself and his wife (even though she is not an employee) with premium paid by the business; again, the premium would be deductible by the business and not taxable as income to John or Maureen.
- John would qualify for Mutual's 10-percent discount on employer-sponsored plans; in addition, he could take advantage of list billing, which Mutual makes available with three or more submitted applications

Presenting LTCi as a Strategy to Retain Key Employees Gives You a Competitive Advantage!

- It allows you to meet the needs of all types of clients, including those of small-business owners
- It allows you to demonstrate the value you can bring to your small-business owner clients
- It can open the door to meeting your clients' other business insurance needs, and that can lead to collateral sales

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The Tax Impact of Employer-Paid LTCi Premium

Long-term care insurance is one of the fastest growing benefits provided by employers. Here are just a few advantages business owners enjoy when sponsoring a long-term care plan for their key employees:

- Gives the business owner added peace of mind
- Helps protect assets
- Creates employee loyalty
- Provides maximum control over business dollars
- Allows the business owner to take advantage of federal tax incentives
- Protects the future of the business

C-Corporations	Premium is 100% tax deductible as a business expense for: • Owner/employee • Designated class of employees (key employees) • Spouse
	Premium is excluded from employees' gross income
	Policy benefits are tax free as long as they do not exceed the greater of qualified LTC daily expenses or the per diem limitation ($240 in 2005)
Self-Employed Business Owners • Sole Proprietor • Partnership • LLC • S-Corporation	Premium is deductible as a business expense (subject to eligible premium limits*) for: • Owner • Spouse/partner and dependents *Eligible premium for 2005: ‹40 $270 41-50 $510 51-60 $1,020 61-70 $2,720 70+ $3,400
	Policy benefits are tax free as long as they do not exceed the greater of qualified LTC daily expenses or the per diem limitation ($240 in 2005)

Information based on Section 7702B and Section 106 of the Internal Revenue Code (IRC).
Must be a qualified long-term care contract to be eligible for tax deductions.
Consult a tax advisor for details.

MUTUAL of OMAHA INSURANCE COMPANY

Long-Term Care Sales Solution

Home Support Features Help Clients Remain at Home

Prospect Profile

- George, age 60, and Patricia, age 50

Situation

- George and Patricia know they need long-term care insurance and are looking for a plan that provides the support they will need to remain at home
- The couple helps care for George's mother who is confined to a wheelchair, so they know the expense associated with modifying her home to accommodate her needs
- Also, their difference in age raises two concerns: Patricia needs to be able to care for George at home and George wants to make sure Patricia will receive the services and support she needs after he is gone

Solution

- Mutual of Omaha's long-term care policy includes home support features that can help keep George and Patricia safely in their home for as long as possible
- When they need long-term care services, their care coordinator will assist with the rental or purchase of any durable medical equipment they might need, such as a hospital-style bed, walker, wheelchair or respirator
- The care coordinator will help arrange for any home modifications that are necessary to enhance their ability to perform the activities of daily living, such as installing ramps and grab bars or widening doorways
- The care coordinator also can arrange for the rental and installation of a home medical alert system for added peace of mind
- George and Patricia won't have to worry about what their policy will pay for these services because Mutual of Omaha clearly specifies it will pay up to:
  - 60 times the maximum daily benefit for home modification
  - 30 times the maximum daily benefit for durable medical equipment
  - 30 times the maximum daily benefit for a home medical alert system

Home Support Features Give You a Competitive Advantage

- Mutual of Omaha's policy clearly states what it will pay for services that can help keep your clients safely in their homes. Some carriers' policies don't specify what they will pay for these services
- The benefits Mutual of Omaha pays for these services are among the top in the industry. Mutual gives your clients the potential to receive up to 120 days of benefits for home modification, durable medical equipment and home medical alert combined. Many other carriers pay only a fraction of what Mutual pays

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M24933

Compare Mutual of Omaha With Other Carriers

When it comes to home support features, Mutual of Omaha comes out on top. Compare what we pay for home modification, durable medical equipment and home medical alert systems with that of other carriers.

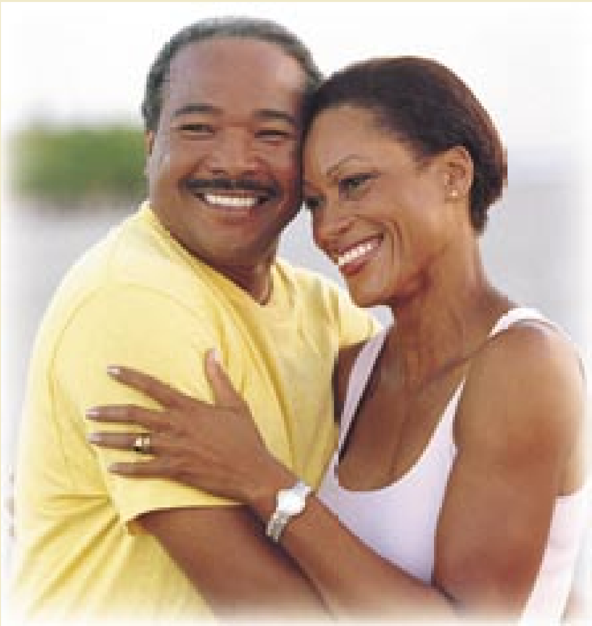
	Mutual of Omaha LTC I & LTC II	GenWorth Privileged Choice	John Hancock Custom Care II	MetLife VIP2-Ideal	Prudential LTC3
Home Modification	Pays up to 60 times the maximum daily benefit amount	Does not specify benefits for these services, instead they are payable as alternate care	Pays a lifetime benefit up to 30 times the maximum daily benefit amount for these services combined	Pays a lifetime benefit up to 50 times the maximum daily benefit amount for these services combined	Pays a lifetime benefit up to 30 times the maximum daily benefit amount for these services combined
Durable Medical Equipment	Pays up to 30 times the maximum daily benefit amount				
Home Medical Alert System	Pays up to 30 times the maximum daily benefit amount				

Based on the most current product information available as of June 2005.
Products may vary by state and are subject to change at any time.

Mutual *of* Omaha Insurance Company

Long-Term Care Sales Solution

Alternate Care Benefit Provides Future Flexibility



Prospect Profile

- James and Lori, age 45

Situation

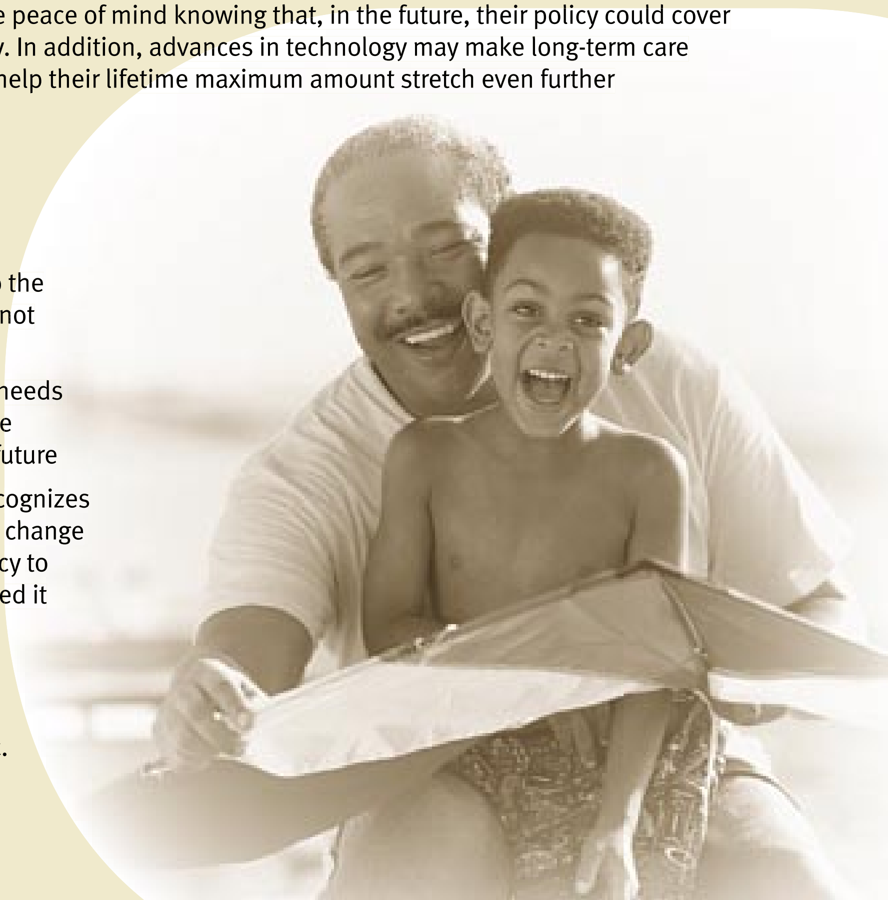
- James and Lori are young and won't need long-term care services for many years; however, they want to make sure their long-term care plan will provide benefits for the best and most progressive services available when they need them; in other words, they want a plan that is flexible enough to change with the times
- Lori works in the health care field, so she knows technology has the potential to dramatically impact the way long-term care services will be provided in the future

Solution

- Mutual of Omaha's long-term care product includes a built-in alternate care benefit that may pay benefits for services or treatments not otherwise covered by the policy
- Here's how it works: when James and/or Lori go on claim, a care coordinator will develop a plan of care that best suits their needs. Since the couple currently is in their 40s, this may not occur for 20, 30, 40 years or more
- If the care coordinator identifies a service or treatment that was not specifically covered by the policy at the time of issue, yet is based on acceptable standards of care at the time, that service or treatment could fall under the alternate care provision of the policy and benefits may be payable
- This creates a win/win situation. James and Lori have peace of mind knowing that, in the future, their policy could cover long-term care services that may not even exist today. In addition, advances in technology may make long-term care services more cost effective in the future, which will help their lifetime maximum amount stretch even further

Our Alternate Care Benefit Gives You a Competitive Advantage!

- Mutual of Omaha's alternate care benefit is built into the policy at no extra cost; some other major carriers do not offer this feature
- The alternate care benefit allows you to address the needs of clients who are concerned the policy they purchase today may not cover acceptable forms of care in the future
- You can assure your clients that Mutual of Omaha recognizes acceptable standards of long-term care services may change in the future, and has included provisions in the policy to ensure they receive the care they need when they need it



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Mutual of Omaha Insurance Company

Long-Term Care Sales Solution

Two Pools of Dollars Give Clients Another Option

Prospect Profile

- Jerry and Connie, age 60

Situation

- Jerry and Connie are looking for a long-term care plan that's affordable and meets their needs
- They know their greatest liability is the cost of nursing home care, so they want to make sure they have coverage in place if and when the time comes
- They also know most people receive long-term care services at home before going to a nursing home, and they're afraid that using their long-term care benefits for home health care could leave them with nothing to help pay for a nursing home. Their greatest fear is having to cover this cost themselves

Solution

- Mutual of Omaha's LTC II product allows Jerry and Connie to select a plan with two maximum benefit amounts. This would give them one pool of dollars for home health care and another pool for confined care
- Even if Jerry and Connie use their entire home health care benefit pool, they still have benefits available for care in a nursing home or assisted living facility. This gives them peace of mind knowing their confined care maximum benefit amount will remain intact regardless of the benefits used for home health care services
- This option gives Jerry and Connie the affordability they're looking for. A plan with separate pools of dollars (based on two years for home health care and five years for confined care) provides seven years of benefits at rates that are comparable to a five-year, one-pool plan

Two Pools of Dollars Give You a Competitive Advantage!

- Mutual of Omaha allows you to offer your clients an option they won't find from many of the leading LTC carriers
- Mutual of Omaha is the only carrier in the industry to give you the ability to offer your clients a choice of one or two pools; no other carrier offers both
- A plan with two pools of dollars is like stacking two policies on top of each other at a price that's comparable to a one-pool plan

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Compare the Annual Premium of Mutual of Omaha's LTC II

You'll see the premium for Mutual of Omaha's LTC II with two pools of dollars is comparable to that of LTC II with one pool. The difference of just $128.80 allows your clients to receive a total of seven years worth of benefits under the two-pool plan as opposed to five years under the one-pool plan.

	Two Maximum Benefit Amounts • 5 years confined care • 2 years home health care	**One Maximum Benefit Amount** • 5 years confined care and home health care combined
Age	60	60
Daily Benefit Amount	$100	$100
Elimination Period	90 days	90 days
Annual Premium	$1,025.40	$896.60

Premium difference: $128.80

Who Offers Two-Pool Plans? Check the Competition

You'll see many of the other leading LTC carriers simply don't offer a plan with two pools of dollars.

Mutual of Omaha LTC II	**GenWorth** Privileged Choice	**John Hancock** Custom Care II	**MetLife** VIP2 – Ideal	**Physicians Mutual** Vista Care Choices	**Prudential** LTC3
Offered as an option	Not available	Not available	Not available	Not available	Not available

Based on the most current product information available as of July 2005. Products may vary by state and are subject to change at any time.

MUTUAL of OMAHA INSURANCE COMPANY

Long-Term Care Sales Solution

Non Tax-Qualified Coverage Provides Greater Flexibility

Prospect Profile

- Dave and Jan, age 50

Situation

- Dave and Jan are looking for a long-term care plan that offers the most benefit eligibility triggers available. Here's why: Jan's 75-year-old mother recently fractured her wrist and needs assistance with some of the activities of daily living. However, her recovery time is expected to be less than 90 days, which means she does not qualify to receive benefits under her tax-qualified long-term care policy
- Dave and Jan want to make sure the policy they purchase does not have a similar provision that restricts benefits, and they're willing to pay more for this flexibility

Solution

- Mutual of Omaha's LTC II product gives Dave and Jan the option to select a non tax-qualified policy, which offers these advantages over a tax-qualified plan:
    - Medical necessity becomes an additional benefit trigger
    - There is no 90-day certification requirement to qualify for benefits
- That means Dave and Jan could qualify for benefits based on a medical necessity alone, even if they do not meet the ADL or cognitive impairment benefit triggers and even if they are expected to need long-term care services for less than 90 days. All that's required is a doctor's certification of the need for long-term care services and a plan of care developed by a care coordinator
- This gives Dave and Jan the peace of mind they're looking for. And while this option costs a bit more (approximately 15 percent more than a tax-qualified plan), they feel the added flexibility is well worth the money
- Best of all, Mutual of Omaha allows Dave and Jan to convert their non tax-qualified policy to tax-qualified status at any time, regardless of their health, and rates are based on their age at issue, not at conversion

Non Tax-Qualified Coverage Gives You a Competitive Advantage!

- Mutual of Omaha is one of a handful of companies in the industry to offer both tax-qualified and non tax-qualified long-term care policies. This allows you to provide an option most other carriers simply can't match
- Mutual of Omaha has sold non tax-qualified plans since 1987. Our experience and expertise managing this business fuels our commitment to offer consumers this valuable option

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M24936

At a Glance: NTQ versus TQ Coverage

	Non Tax-Qualified	Tax-Qualified
Benefit Triggers	Medical necessity is an added benefit trigger. To qualify to receive benefits, one of the following conditions must apply: • The need for hands-on assistance performing at least two activities of daily living • The need for continual supervision due to a severe cognitive impairment • A doctor certifies and a care coordinator verifies the need for care due to a medical necessity	Medical necessity cannot be used as a benefit trigger. To qualify to receive benefits, one of the following conditions must apply: • The need for hands-on assistance performing at least two activities of daily living • The need for continual supervision due to a severe cognitive impairment
90-Day Certification Requirement	There is no 90-day certification requirement	A health care practitioner must certify long-term care services are expected to be needed for at least 90 days
Federal Tax Treatment of Benefits	Currently, benefits received under the policy are considered to be tax free **NOTE:** The Treasury Department has not ruled on the taxability of non tax-qualified benefits, which means the IRS could change the rules at any time	Benefits received under the policy are intended to be tax free
Federal Tax Treatment of Premium	Premium is not tax deductible	Premium can be deducted as a medical expense as long as the following conditions are met: • Deductions are itemized • Medical expenses, including long-term care premiums, exceed 7.5 percent of adjusted gross income
Cost	Coverage is generally more expensive than a tax-qualified plan; however, for many people, the added flexibility is well worth the cost	Coverage is generally less expensive than a non tax-qualified plan

MUTUAL of OMAHA INSURANCE COMPANY

Long-Term Care Sales Solution

Restoration of Benefits Eases Clients' Concerns

Prospect Profile

- Steven and Amanda, age 45

Situation

- Steven and Amanda know the need for long-term care services can arise at any age. Steven's brother was injured in an automobile accident at age 50 and required home care and rehabilitation services for several months
- Steven and Amanda want to make sure the long-term care policy they purchase will pay for services they may need when they are younger yet still provide funds for home health care or nursing home care when they are older

Solution

- Mutual of Omaha's restoration of benefits feature allows Steven and Amanda to use the long-term care services they need, when they need them
- Then, once they have been claim free for 180 days and are able to perform the activities of daily living without assistance, the policy lifetime maximum benefit amount is fully restored
- For example, if Steven's policy lifetime maximum benefit amount is $182,000 and he uses $82,000 in benefits to recover from knee surgery, he's left with a pool of $100,000 for his future long-term care needs. But after six months off claim, the lifetime maximum benefit amount of Steven's policy is automatically restored to the full $182,000. And this can occur an unlimited number of times throughout the life of the policy

Restoration of Benefits Gives You a Competitive Advantage!

- Mutual of Omaha's restoration of benefits feature is built into the policy at no extra cost; many other carriers offer it as a rider at an additional expense
- Mutual of Omaha permits the restoration process to occur an unlimited number of times during the life of the policy; some other carriers restrict the restoration process to once per lifetime
- The restoration of benefits feature allows you to address the needs of younger clients who know they know they may need help recovering from an illness or injury, yet are concerned that using their long-term care benefits in this manner could leave them with insufficient funds to pay for home health care or nursing home care down the road

M24938

See How Mutual of Omaha's Restoration of Benefits Feature Stacks Up to the Competition

Mutual of Omaha LTC I and LTC II	• Included in the policy at no additional cost • Allows restoration of benefits to occur an unlimited number of times
GenWorth Privileged Choice	• Offered as an added-cost rider
John Hancock Custom Care II	• Offered as an added-cost rider • Limits restoration of benefits to one time
MetLife VIP2-Ideal	• Offered as an added-cost rider
Prudential LTC3	• Included in the policy at no additional cost • Limits restoration of benefits to one time

Based on the most current product information available as of August 2005. Products may vary by state and are subject to change at any time.

Mutual of Omaha